BOARD OF DIRECTORS
MEETING
April 11, 2017

Health District Office Building
120 Bristlecone Drive, Fort Collins

MINUTES

BOARD MEMBERS PRESENT: Michael D. Liggett, Esq., President
Tracy L. Nelson, Ph.D., Vice President
Deirdre Sullivan, Secretary
Faraz Naqvi, M.D., Treasurer
Tess Heffernan, Liaison to UHealth-North/PVHS Board

STAFF PRESENT: Carol Plock, Executive Director
Bruce Cooper, M.D., Medical Director
Lorraine Haywood, Finance Director
Dan Sapienza, Policy Coordinator
Chris Sheafor, Support Services Director
Nancy Stirling, Assistant to Executive Director

CALL TO ORDER; APPROVAL OF AGENDA
President Michael Liggett called the meeting to order at 4:04 p.m. There were no changes to the agenda.

MOTION: To approve the agenda as presented/amended.
Motion/Seconded/Carried Unanimously

PUBLIC COMMENTS
None.

DISCUSSION AND ACTIONS
Policy

Federal
There continues to be work on amending the American Health Care Act (AHCA); it was accepted into the House Rules Committee, but they recessed before a vote. One possible amendment would create an “invisible risk pool” – a re-insurance program that would allow people with high cost conditions to purchase health insurance on the regular market, and have the state cover the cost invisibly through special risk pools. The concern is whether states would have enough funding to cover the added costs while keeping costs to the consumer the same as costs to other insureds. Other discussions pertain to whether to maintain the essential health benefits requirements, and whether to allow plans to move away from community rating.
There is major concern coming from discussions that the federal administration may end the cost sharing subsidies currently existing in the ACA, which are the financial assistance that makes not only health insurance premiums affordable for many purchasers, but also deductibles and co-payments. Should the federal government decide not to continue to pay health insurance companies for those subsidies, the insurance companies could still be required to pay them, which would likely result in insurance companies pulling out from the ACA. There is growing uncertainty in the market, which is causing serious upheaval in insurance companies willing to take unknown risks. Tennessee has already lost its insurance markets and there was a recent report that Anthem is considering dropping out of many exchanges. Should Anthem drop out of Colorado’s western slope, they could be left with no options. The state deadline for insurance companies to opt into the insurance market is coming up very quickly; it is April 22, with rate filings due May 13.

**Colorado Legislative Session**

Thus far this session, 620 bills have been introduced and a total of 119 of them have been postponed indefinitely. About 360 are still active. 137 bills have been signed into law. Previous Board positions, if any, are indicated in brackets below:

**Bill Updates**

- *SB17-021: Assistance to Released Mentally Ill Offenders* [Support] – Waiting in Senate Appropriations for consideration of $5.1 million fiscal note.
- *SB17-082: Methadone Facility Regulation* [Oppose] – Scheduled to be heard in the Senate HHS Committee on April 12. A strike-below amendment removes things such as setbacks, but includes fingerprinting owners and CEOs in any institute that distributes controlled substances used for treatments. Staff just heard about this and is monitoring it.
- *SB17-203: Prohibit Carrier from Requiring Alternative Drug* [Support] – This bill prohibits insurance companies from requiring step therapy when being treated for a terminal condition or if the covered person previously underwent step therapy and the drug was discontinued by the manufacturer. This bill passed the House HIE committee and is on the way to the House floor.
- *SB17-250: Student Exemption from Immunization Requirements* [Strongly Oppose] – Currently scheduled to be heard by the Senate HHS Committee on April 13. Position conveyed to Senator Kefalas.

**State Budget for Fiscal Year 2017-2018**

The proposed budget had passed through the Senate, and passed through the House yesterday with over 25 amendments accepted. All transportation amendments proposed by the GOP were opposed. The bill is now on its way back to the Joint Budget Committee (conference committee) and then will go back to the House and Senate for final approval.
Key items of interest in the budget: the Healthy Kids Colorado Survey (included), hospital provider fee (reduced), transportation (remains to be debated), immunization features (included), and the K-12 negative factor (slight increase).

**Key Bills**

**Hospital Provider Fee:** In March, Senate Bill 17-057, which would have created a hospital provider fee enterprise, was postponed indefinitely and eventually pulled by its own sponsor. However, there was interest expressed from to bring something forward that would help rural hospitals which would likely be seriously impacted by the proposed budget cuts.

Senate Bill 17-267 “Sustainability of Rural Colorado” was subsequently proposed and has bipartisan support in both chambers. Like SB-057, the bill turns the hospital provider fee into an enterprise, but in a different way. The impact would be to lower the Revenue Cap. It allows the state to create lease-purchase agreements on state property whereby they can sell their buildings and then lease them back, creating state funding which can be used to issue bonds and address transportation needs; transfers money from the Highway Users Tax Fund (HUTF) to rural school districts; and requires all agencies to include an across the board 2% reduction in their 2018 budget requests. It becomes a net gain in that the state can take advantage of more federal dollars. It would also move away from the hospital provider fee being the only option for balancing the state government every year.

The Board chose to delay a position on the bill, in order to see if there are other organizations’ analyses that would help us understand this very complex issue more thoroughly.

**Other Key Bills**

- **SB17-027: Texting While Driving** – This bill is currently in House Appropriations. Questions from last meeting included the extent of the danger of texting, and whether increased penalties or expanded bans on texting while driving work to reduce the practice and increase traffic safety. An analysis summarizing some of the evidence was included in the packet; evidence indicates that distracted driving is a significant cause of accidents in the U.S., though the exact proportion of distracted driving accidents caused by texting is not perfectly known, and determining the impact of laws on texting while driving behaviors is new, and results so far are mixed.

The board discussed briefly the new law’s added burden of the officer having to actually see both the “texting” behavior, and “driving in a careless or imprudent manner,” noting that texting at all while driving or operating a vehicle is dangerous, and adding the requirement of actually seeing careless or imprudent driving would cause even fewer citations. The following motion was proposed:

**MOTION:** To support the concept of higher fines and increased penalties for texting while driving, and recommend the removal of the requirement of direct observation of careless or imprudent driving.

**Motion/Seconded/**

Discussion ensued about whether to just support the bill as written, or to share concerns about the added burden of observation of careless or imprudent driving. The original motion was withdrawn, and the following motion made:
MOTION: To Support Senate Bill 2017-027 as written.
Motion/Seconded/Carried Unanimously

- SB17-207: Strengthen Colorado Behavioral Health Crisis System – This bill would: prohibit use of jails for 72-hour holds; enhance capacity of first responders; require that by January 1, 2018 crisis centers, ATUs, CSUs have ability to care for 72-hour holds; require mobile crisis response anywhere in the state within 2 hours; increase DHC trainings; use Marijuana Tax Cash Fund dollars for mental health; and identify standards for emergency holds. While staff and board members acknowledge that this bill is well-meaning and is trying to take the right steps, they did express concern as to whether the budget is adequate, whether meeting all the requirements of this bill in the timeframe given is feasible, and whether it might create a burden on other providers, such as hospitals. The board chose not to take a position on this bill at this time.

- HB17-1235: Financial Relief to Defray Individual Health Plan Costs – This bill is a proposal to temporarily provide financial assistance to individuals who purchase health insurance plans on the state marketplace but are above the cutoff for assistance under the ACA (those whose income is between 400-500% of FPL). A primary target of this assistance is individuals and families that live in areas of the state that are seeing very high insurance premiums in the marketplace.

On the positive side, the financial assistance could make a significant difference to people struggling to afford coverage in certain areas of the state. On the concern side, this is a temporary proposal that ends in 2018; it might be considered unfair because it does not address the “family glitch” for families ineligible for financial assistance for plans if the family is offered family coverage on an employer’s health plan (regardless of the cost of that insurance); it creates varied subsidies in varied parts of the state; and it could set a precedent of having the state instead of the federal government assume responsibility for subsidies on the marketplace. Given its complexities, the board chose not to take a position on this bill at this time.

- HB17-1237: Local Buy-in to State Plans – This bill would allow local governments to buy into the state’s employee plan and is scheduled to be heard in the House Health Insurance and Environment (HIE) committee on April 13. It was acknowledged that there may be benefits to being able to buy in to the state plan and use the state’s buying power to create a bigger risk pool, thus potentially reducing costs of health insurance for participants. It was also pointed out that the State purchases its plans through for-profit vendors. The Health District already purchases its health insurance through the existing not-for-profit local government pool called CEBT, and it is unknown whether this legislation would create a better or worse situation for the Health District.

- HB17-1286: State Plans Offering Plans – This bill would require that insurers who are chosen to offer their plans to state employees must also offer them in the individual market through the health insurance exchange, provide plans to at least 2 counties in a geographic rating area with the highest premiums, and participate in Medicaid and CHP+. The bill is scheduled to be heard in the House HIE committee on April 13. The board agreed that if an insurance company is going to have the financial benefit of providing insurance to around 40,000 state employees, then they should also be willing to help assist the state with its insurance challenges.
MOTION:  To Support House Bill 2017-1286 as presented.  
Motion/Seconded/Carried Unanimously

- SB17-193: Substance Abuse Prevention/Treatment Research Center – This bill creates the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies. The Center would be housed at the University of Colorado and have $1 million funding in fiscal year 2017-2018. One of the bill sponsors is Senator Lundberg who recently wrote an op-ed in the Coloradoan on this issue. Ms. Plock noted that the State of Colorado lags significantly behind in adopting best practices for substance use disorder treatment, and this center would potentially be able to accelerate advancements. Local research and information might help move policymakers such as the Office of Behavioral Health and Medicaid towards more effective practices.

Motion/Seconded/Carried Unanimously

Other New Bills
- HB17-1318: DOI Report Pharma Costs – This is Representative Ginal’s new drug transparency bill, which would require health insurers to submit information to the Department of Insurance regarding pharmaceutical costs, net costs of pharmaceuticals that they sell, and lists of top 10 drugs of the most dispensed and highest costs. They would also have to file a report with the Governor and DOI on trends in prescription drug costs. Previous bills have targeted the pharmaceutical industry; this bill is dealing instead with insurance companies. AHIP (the insurance industry) is in opposition to this bill, likely because of an added burden of calculations and reporting. It was noted that Vermont has passed a bill on transparency, and California is working on one. This concept is new and complicated, and the board chose not to take a position on it at this time.
- SB17-279: Applicability Recent Urban Renewal Legislation – This bill was just introduced and is a follow-up to the bill passed two years ago, defining when the requirements kick into effect.
- SB17-285: Downtown Development Authority Fairness Act – Staff just heard of this bill today and does not have information on it, except that it is being supported by the Special District Association.
- SB17-278: Prohibit Nuisance Exhibition Motor Vehicle Exhaust – A rolling coal bill concept has been resurrected; there are several changes that may make it more likely to pass.

There is one month left of this legislative session (ends on May 10) and the April 26 board meeting will be the last opportunity for the board to take positions before the session ends.

ANNOUNCEMENTS
- April 25, 4:00 pm – Board of Directors Regular Meeting
- April 26, 11:30 am – Annual Employee Appreciation Luncheon and Staff Recognition, Northside Aztlan Community Center

Ms. Sullivan informed that she will not be at the April 25 board meeting or the April 26 Employee Appreciation luncheon.
ADJOURN

MOTION:  To adjourn the meeting.
Moved/Seconded/Carried Unanimously

The meeting was adjourned at 5:46 p.m.

Respectfully submitted:

Nancy L. Stirling, Assistant Secretary

Michael Liggett, President

Tracy Nelson, Vice President

Deirdre Sullivan, Secretary

Faraz Naqvi, M.D., Treasurer

Tess Heffernan, UCHealth-North (PVHS) Board Liaison